

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

RECEIVED

SEP - 9 1994

In the Matter of	)	
	)	
Amendment of the Commission's	)	GEN Docket No. 90-314
Rules To Establish New Personal	)	RM-7140, RM-7175,
Communications Services	)	RM-7618

**REPLY COMMENTS OF GTE**

GTE Service Corporation ("GTE"), on behalf of GTE's telephone and wireless operating companies, hereby replies to comments submitted in response to the Petition for Partial Reconsideration filed by the Personal Communications Industry Association ("PCIA") in the above-captioned proceeding.<sup>1</sup> GTE agrees with those parties that support PCIA's proposal for sharing the costs of relocating microwave links from the spectrum allocated to Personal Communications Services ("PCS") among entities that benefit from those relocations.<sup>2</sup> GTE further questions the validity of the concerns raised by the Utilities Telecommunications Council ("UTC") regarding the procedural status of PCIA's proposed cost sharing plan and its impact on relocation negotiations.<sup>3</sup> Adoption of reasonable cost sharing requirements at this time will not only facilitate the microwave relocation process, but also permit potential bidders to make more informed and accurate valuations of PCS licenses in the upcoming spectrum auctions.

In brief, PCIA has proposed that PCS interests whose equipment would interfere with a microwave link should contribute on a pro rata basis to the actual costs of

<sup>1</sup> See PCIA Petition for Partial Reconsideration filed July 25, 1994 and FCC Public Notice, 59 Fed. Reg. 41760 (August 15, 1994).

<sup>2</sup> BellSouth Comments at 39; MCI Comments at 4.

<sup>3</sup> UTC Comments at 4-7.

relocating that link.<sup>4</sup> In comments on its own petition, PCIA set out guidelines for implementation of the cost sharing proposal that clarify the entities to which it would apply, the methods for calculating interference, the costs that would be subject to sharing, and its expectations regarding the identification of opportunities for and negotiation of sharing arrangements.<sup>5</sup> GTE strongly supports these proposals and urges the Commission to proceed promptly to work with the PCS industry to implement them in an efficient and effective fashion.

Such expeditious action is particularly important from the perspective of potential bidders in the upcoming broadband PCS auctions. Entities planning on paying what undoubtedly will be substantial sums for PCS licenses in addition to funding massive relocation costs need to know the rules that will govern their investments. Because it will shift payment obligations among PCS interests, action on the PCIA Petition will obviously have a material impact on the economic value of those licenses which bidders need to understand. Consequently, the Commission should establish cost sharing rules at the earliest possible date in order to provide a predictable and settled business environment in which the broadband PCS auctions can proceed.

For some of the same reasons, the FCC should discount the concerns raised by UTC and reject its proposal for initiation of a separate rulemaking on cost sharing.<sup>6</sup> Contrary to UTC's suggestions, definitive cost sharing rules are likely to facilitate rather than disrupt the transition process and remove incentives to delay the relocation of microwave links. Most importantly, were the Commission to follow the procedural path advocated by UTC and begin a new rulemaking to address cost sharing issues, it would run the risk of either delaying the spectrum auctions or forcing bidders to participate

---

<sup>4</sup> PCIA Comments at 2.

<sup>5</sup> PCIA Comments at 3-6.

<sup>6</sup> See UTC Comments at 7-8.


with incomplete information about the costs and values of their licenses. Such a situation would obviously be untenable.

Accordingly, GTE urges the Commission to adopt PCIA's proposed principles for the sharing of microwave relocation costs among benefitted PCS interests and encourage the industry to act promptly to develop an implementation plan for those requirements.

Respectfully submitted,

GTE Service Corporation, on  
behalf of its telephone and  
wireless operating companies

By:

  
\_\_\_\_\_  
Gail L. Polivy  
1850 M Street, N.W.  
Suite 1200  
Washington, D.C. 20036  
(202) 463-5214

September 9, 1994

## **Certificate of Service**

I, Ann D. Berkowitz, hereby certify that copies of the foregoing "Reply Comments of GTE" have been mailed by first class United States mail, postage prepaid, on the 9th day of September, 1994 to the following parties:

William B. Barfield, Esq.  
BellSouth Telecommunications, Inc.  
4300 Southern Bell Center  
675 West Peachtree Street  
Atlanta, GA 30375

Larry Blosser, Esq.  
MCI Telecommunications Corporation  
1801 Pennsylvania Avenue, NW  
Fourth Floor  
Washington, DC 20006

Mark Golden, Esq.  
Personal Telecommunications Industry Association  
1019 19th Street, NW  
Suite 1100  
Washington, DC 20036

James E. Meyers, Esq.  
Baraff, Koerner, Olender & Hochberg  
5335 Wisconsin Avenue, NW  
Suite 300  
Washington, DC 20015

Ronald R. Ruebusch  
Vice President  
Semiconductor Product Development  
Celeritek, Inc.  
3236 Scott Boulevard  
Santa Clara, CA 95054

Michael D. Kennedy  
Vice President - Regulatory Relations  
Motorola, Inc.  
1350 I Street, NW  
Washington, DC 20005

Stephen L Goodman, Esq.  
Halprin, Temple & Goodman  
1100 New York Avenue, NW  
Suite 650, East Tower  
Washington, DC 20005

John G. Lamb, Jr.  
Northern Telecom, Inc.  
2100 Lakeside Boulevard  
Richardson, TX 75081-1599

J. Barclay Jones  
Vice President for Engineering  
American Personal Communications  
1025 Connecticut Avenue, NW  
Washington, DC 20036

James P. Tuthill, Esq.  
Pacific Bell Mobile Services  
140 New Montgomery Street  
Room 1525  
San Francisco, CA 94105

James L. Wurtz, Esq.  
Pacific Bell Mobile Services  
1275 Pennsylvania Avenue, NW  
Washington, DC 20004

Cathleen A. Massey, Esq.  
McCaw Cellular Communications, Inc.  
1150 Connecticut Avenue, NW  
Fourth Floor  
Washington, DC 20036

Nancy J. Thompson, Esq.  
COMSAT Mobile Communications  
22300 COMSAT Drive  
Clarksburg, MD 20871

Jeffrey L. Sheldon, Esq.  
Utilities Telecommunications Council  
1140 Connecticut Avenue, NW  
Suite 1140  
Washington, DC 20036

Jay C. Keithley, Esq.  
Leon Kestenbaum, Esq.  
1850 M Street, NW  
Suite 1100  
Washington, DC 20036

Caressa D. Bennet, Esq.  
Regulatory Counsel  
2120 L Street, NW  
Suite 520  
Washington, DC 20037

  
Ann D. Berkowitz